

107TH CONGRESS
1ST SESSION

H. R. 808

To provide certain safeguards with respect to the domestic steel industry.

IN THE HOUSE OF REPRESENTATIVES

MARCH 1, 2001

Mr. VISCLOSKY (for himself, Mr. QUINN, Mr. KUCINICH, Mr. ENGLISH, Mr. MURTHA, Mr. NEY, Mr. CARDIN, Ms. HART, Mr. COYNE, Mr. BILIRAKIS, Mrs. JONES of Ohio, Mr. WALSH, Mr. MOLLOHAN, Mr. HORN, Mr. MATSUI, Mr. EVANS, Mr. COSTELLO, Mr. BROWN of Ohio, Ms. KAPTUR, Mr. MASCARA, Mr. LIPINSKI, Mr. OBERSTAR, Mr. RAHALL, Mr. STRICKLAND, Mr. BRADY of Pennsylvania, Mr. BONIOR, Mr. DINGELL, Mr. ABERCROMBIE, Mr. ANDREWS, Mr. BARCIA, Mr. BERRY, Mr. BISHOP, Mr. BLAGOJEVICH, Mr. BOSWELL, Mr. BOUCHER, Mr. BOYD, Ms. BROWN of Florida, Mrs. CHRISTENSEN, Mr. CLYBURN, Mr. CONYERS, Mr. CRAMER, Mr. CROWLEY, Mr. CUMMINGS, Mr. FILNER, Mr. FROST, Mr. GORDON, Mr. GREEN of Texas, Mr. HALL of Ohio, Mr. HILLIARD, Mr. HINCHEY, Mr. HOEFFEL, Mr. HOLDEN, Ms. HOOLEY of Oregon, Mr. JACKSON of Illinois, Mr. KANJORSKI, Mr. KILDEE, Ms. KILPATRICK, Mr. KLECZKA, Mrs. MCCARTHY of New York, Ms. MCCARTHY of Missouri, Mr. MCGOVERN, Mr. MCINTYRE, Ms. MCKINNEY, Mr. McNULTY, Mr. MENENDEZ, Mr. GEORGE MILLER of California, Mrs. MINK of Hawaii, Ms. NORTON, Mr. PALLONE, Mr. PASCRELL, Mr. PETERSON of Pennsylvania, Mr. PHELPS, Ms. RIVERS, Mr. RODRIGUEZ, Mr. SANDERS, Mr. SANDLIN, Mr. SAWYER, Mr. SCOTT, Mr. SHIMKUS, Mr. THOMPSON of Mississippi, Mrs. THURMAN, Mr. TOWNS, Mr. TRAFICANT, Mr. WEXLER, and Mr. WYNN) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Financial Services, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide certain safeguards with respect to the domestic steel industry.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Steel Revitalization
5 Act of 2001”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents of this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I—IMPORT RELIEF

Sec. 101. Reduction in volume of steel imports.

Sec. 102. Steel import notification and monitoring program.

TITLE II—LEGACY COST SHARING

Sec. 201. Steel Retiree Health Care Board.

Sec. 202. Steelworker Retiree Health Care Trust Fund.

Sec. 203. Health Care Benefit Costs Assistance Program.

Sec. 204. Excise tax on steel.

TITLE III—STEEL LOAN GUARANTEE PROGRAM

Sec. 301. Modification to steel loan guarantee program.

TITLE IV—INCENTIVES FOR CONSOLIDATION

Sec. 401. Grant program for merged companies.

8 **TITLE I—IMPORT RELIEF**

9 **SEC. 101. REDUCTION IN VOLUME OF STEEL IMPORTS.**

10 (a) REDUCTION.—Notwithstanding any other provi-
11 sion of law, within 60 days after the date of the enactment
12 of this Act, the President shall take the necessary steps,
13 by imposing quotas, tariff surcharges, negotiated enforce-

1 able voluntary export restraint agreements, or other meas-
2 ures, on imports of steel products to ensure that—

3 (1) the tonnage of iron ore, coke and coke prod-
4 ucts, semifinished steel, and pig iron imported into
5 the United States during any month does not exceed
6 the average tonnage of each such product that was
7 imported monthly into the United States during the
8 36-month period preceding July 1997; and

9 (2) in the case of any other steel product to
10 which this section applies, the share of domestic con-
11 sumption of each such steel product in the United
12 States that is derived from imports during any
13 month does not exceed the average monthly share of
14 domestic consumption of that steel product in the
15 United States that was derived from imports during
16 any month in the 36-month period preceding July
17 1997. Determinations of share of future domestic
18 consumption for purposes of paragraph (2) shall be
19 based on projections made from the best available
20 information.

21 (b) ENFORCEMENT AUTHORITY.—Within 60 days
22 after the date of the enactment of this Act, the Secretary
23 of the Treasury, through the United States Customs Serv-
24 ice, and the Secretary of Commerce shall implement a pro-
25 gram for administering and enforcing the restraints on

1 imports under subsection (a). The Customs Service is au-
2 thorized to refuse entry into the customs territory of the
3 United States of any steel products that exceed the allow-
4 able levels of imports of such products.

5 (c) APPLICABILITY.—This section shall apply to the
6 following categories of steel products: semifinished steel,
7 stainless steel, plates, sheets and strips, rods, wire and
8 wire products, rail type products, bars, structural shapes
9 and units, pipes and tubes, iron ore, pig iron, and coke
10 and coke products.

11 (d) WAIVERS DURING PERIODS OF SHORT SUP-
12 PLY.—The President may waive the applicability of sub-
13 section (a), for periods of not more than 3 months each,
14 with respect to any product set forth in subsection (c) if—

15 (1) the President determines that the product
16 cannot be supplied by the domestic industry in com-
17 mercial quantities in a timely manner;

18 (2) the President has obtained advice regarding
19 that determination from the appropriate advisory
20 committee established under section 135 of the
21 Trade Act of 1974 (19 U.S.C. 2155) and the United
22 States International Trade Commission;

23 (3) the President has submitted to the Congress
24 a report that sets forth that determination and the

1 reasons therefor, and the advice obtained under
2 paragraph (2); and

3 (4) a period of 30 calendar days has elapsed
4 since the report was submitted under paragraph (3).

5 (e) EXPIRATION.—This section shall expire at the
6 end of the 5-year period beginning 60 days after the date
7 of the enactment of this Act.

8 **SEC. 102. STEEL IMPORT NOTIFICATION AND MONITORING**
9 **PROGRAM.**

10 (a) IN GENERAL.—Not later than 30 days after the
11 date of enactment of this Act, the Secretary of Commerce,
12 in consultation with the Secretary of the Treasury, shall
13 establish and implement a steel import notification and
14 monitoring program. The program shall include a require-
15 ment that any person importing a product classified under
16 chapter 72 or 73 of the Harmonized Tariff Schedule of
17 the United States obtain an import notification certificate
18 before such products are entered into the United States.

19 (b) STEEL IMPORT NOTIFICATION CERTIFICATES.—

20 (1) IN GENERAL.—In order to obtain a steel
21 import notification certificate, an importer shall sub-
22 mit to the Secretary of Commerce an application
23 containing—

24 (A) the importer's name and address;

1 (B) the name and address of the supplier
2 of the goods to be imported;

3 (C) the name and address of the producer
4 of the goods to be imported;

5 (D) the country of origin of the goods;

6 (E) the country from which the goods are
7 to be imported;

8 (F) the United States Customs port of
9 entry where the goods will be entered;

10 (G) the expected date of entry of the goods
11 into the United States;

12 (H) a description of the goods, including
13 the classification of such goods under the Har-
14 monized Tariff Schedule of the United States;

15 (I) the quantity (in kilograms and net
16 tons) of the goods to be imported;

17 (J) the cost insurance freight (CIF) and
18 free alongside ship (FAS) values of the goods to
19 be entered;

20 (K) whether the goods are being entered
21 for consumption or for entry into a bonded
22 warehouse or foreign trade zone;

23 (L) a certification that the information
24 furnished in the certificate application is cor-
25 rect;

1 (M) the process used to produce the goods
2 and the estimated amount of toxic material
3 emitted into the air, earth, and water as a re-
4 sult of that process;

5 (N) wages and benefits paid to the workers
6 producing the goods; and

7 (O) any other information the Secretary of
8 Commerce determines to be necessary and ap-
9 propriate.

10 (2) ENTRY INTO CUSTOMS TERRITORY.—In the
11 case of a product Harmonized Tariff Schedule of the
12 United States that is initially entered into a bonded
13 warehouse or foreign trade zone, a steel import noti-
14 fication certificate shall be required before the prod-
15 uct is entered into the customs territory of the
16 United States.

17 (3) ISSUANCE OF STEEL IMPORT NOTIFICATION
18 CERTIFICATE.—The Secretary of Commerce shall
19 issue a steel import notification certificate to any
20 person who files an application that meets the re-
21 quirements of this section. Such certificate shall be
22 valid for a period of 30 days from the date of
23 issuance.

24 (c) STATISTICAL INFORMATION.—

1 (1) IN GENERAL.—The Secretary of Commerce
2 shall compile and publish on a weekly basis informa-
3 tion described in paragraph (2).

4 (2) INFORMATION DESCRIBED.—Information
5 described in this paragraph is information obtained
6 from steel import notification certificate applications
7 concerning products classified under chapter 72 or
8 73 of the Harmonized Tariff Schedule of the United
9 States that are imported into the United States and
10 includes with respect to such imports the Har-
11 monized Tariff Schedule of the United States classi-
12 fication (to the tenth digit), the country of origin,
13 the port of entry, quantity, value of the products im-
14 ported, and whether the imports are entered for con-
15 sumption or are entered into a bonded warehouse or
16 foreign trade zone. Such information shall also be
17 compiled in aggregate form and made publicly avail-
18 able by the Secretary of Commerce on a weekly basis
19 by public posting through an Internet website. The
20 information provided under this section shall be in
21 addition to any information otherwise required by
22 law.

23 (d) FEES.—The Secretary of Commerce may pre-
24 scribe reasonable fees and charges to defray the costs of

1 carrying out the provisions of this section, including a fee
 2 for issuing a certificate under this section.

3 (e) SINGLE PRODUCER AND EXPORTER COUN-
 4 TRIES.—Notwithstanding any other provision of law, the
 5 Secretary of Commerce shall make publicly available all
 6 information required to be released under subsection (c),
 7 including information obtained regarding imports from a
 8 foreign producer or exporter that is the only producer or
 9 exporter of goods subject to this section from a foreign
 10 country.

11 (f) REGULATIONS.—The Secretary of Commerce may
 12 prescribe such rules and regulations relating to the steel
 13 import notification and monitoring program as may be
 14 necessary to carry out this section.

15 **TITLE II—LEGACY COST** 16 **SHARING**

17 **SEC. 201. STEEL RETIREE HEALTH CARE BOARD.**

18 (a) ESTABLISHMENT.—There is established in the
 19 Department of Labor a Steel Retiree Health Care Board.

20 (b) COMPOSITION.—The Board shall be composed of
 21 5 members appointed by the Secretary of Labor, of
 22 whom—

23 (1) one shall be designated by the Secretary as
 24 Chairman;

1 (2) one shall be appointed after taking into con-
2 sideration the recommendations made by the Speak-
3 er of the House of Representatives and the majority
4 leader of the Senate;

5 (3) one shall be appointed after taking into con-
6 sideration the recommendations made by the minor-
7 ity leader of the House of Representatives and the
8 minority leader of the Senate;

9 (4) one shall represent the interests of steel and
10 iron ore workers; and

11 (5) one shall represent the interests of the steel
12 and iron or industry.

13 (c) MEMBERSHIP REQUIREMENTS.—Members of the
14 Board shall have substantial experience, training, and ex-
15 pertise in matters relating to retiree health benefits.

16 (d) LENGTH OF APPOINTMENTS.—

17 (1) TERMS.—A member of the Board shall be
18 appointed for a term of 2 years.

19 (2) VACANCIES.—

20 (A) IN GENERAL.—A vacancy on the
21 Board shall be filled in the manner in which the
22 original appointment was made and shall be
23 subject to any conditions that applied with re-
24 spect to the original appointment.

1 (B) COMPLETION OF TERM.—An indi-
2 vidual chosen to fill a vacancy shall be ap-
3 pointed for the unexpired term of the member
4 replaced.

5 (3) EXPIRATION.—The term of any member
6 shall not expire before the date on which the mem-
7 ber's successor takes office.

8 (f) DUTIES.—The Board shall—

9 (1) administer the Health Care Benefit Costs
10 Assistance Program established under section 203;

11 (2) establish policies for the investment and
12 management of the Steelworker Retiree Health Care
13 Trust Fund established under section 202 that shall
14 provide for prudent investments and low administra-
15 tive costs; and

16 (3) review and approve the budget of the
17 Board.

18 (g) ADMINISTRATIVE PROVISIONS.—

19 (1) IN GENERAL.—The Board may—

20 (A) adopt, alter, and use a seal;

21 (B) take such other actions as may be nec-
22 essary to carry out the functions of the Board.

23 (2) MEETINGS.—The Board shall meet—

24 (A) at least semiannually; and

1 (B) at additional times at the call of the
2 Chairman.

3 (3) EXERCISE OF POWERS.—

4 (A) IN GENERAL.—The Board shall per-
5 form the functions and exercise the powers of
6 the Board on a majority vote of a quorum of
7 the Board. Three members of the Board shall
8 constitute a quorum for the transaction of busi-
9 ness.

10 (B) VACANCIES.—A vacancy on the Board
11 shall not impair the authority of a quorum of
12 the Board to perform the functions and exercise
13 the powers of the Board.

14 (h) COMPENSATION.—

15 (1) IN GENERAL.—Each member of the Board
16 who is not an officer or employee of the Federal
17 Government shall be compensated at the daily rate
18 of basic pay for level V of the Executive Schedule for
19 each day during which such member is engaged in
20 performing a function of the Board.

21 (2) EXPENSES.—A member of the Board shall
22 be paid travel, per diem, and other necessary ex-
23 penses under subchapter I of chapter 57 of title 5,
24 United States Code, while traveling away from such

1 member's home or regular place of business in the
 2 performance of the duties of the Board.

3 (3) SOURCE OF FUNDS.—Payments authorized
 4 under this subsection shall be paid from the Steel-
 5 worker Retiree Health Care Trust Fund.

6 **SEC. 202. STEELWORKER RETIREE HEALTH CARE TRUST**
 7 **FUND.**

8 (a) CREATION OF TRUST FUND.—There is estab-
 9 lished in the Treasury of the United States a trust fund
 10 to be known as the “Steelworker Retiree Health Care
 11 Trust Fund”, consisting of such amounts as may be ap-
 12 propriated or credited to the Steelworker Retiree Health
 13 Care Trust Fund as provided in this section.

14 (b) TRANSFER OF DESIGNATED AMOUNTS TO TRUST
 15 FUND.—There is hereby appropriated to the Steelworker
 16 Retiree Health Care Trust Fund amounts equivalent to
 17 the taxes received in the Treasury under section 4191 of
 18 the Internal Revenue Code of 1986 (relating to excise tax
 19 on steel).

20 (c) EXPENDITURES FROM TRUST FUND.—

21 (1) HEALTH CARE BENEFIT COST PAYMENTS.—
 22 The Secretary of the Treasury shall make payments
 23 from the Trust Fund in accordance with section
 24 203.

1 (2) ADMINISTRATIVE EXPENSES.—Amounts in
 2 the Trust Fund shall be available to pay the admin-
 3 istrative expenses of the Secretary of the Treasury
 4 directly attributable to carrying out this section and
 5 section 203 with respect to such Trust Fund.

6 **SEC. 203. HEALTH CARE BENEFIT COSTS ASSISTANCE PRO-**
 7 **GRAM.**

8 (a) ESTABLISHMENT OF PROGRAM.—The Steel Re-
 9 tiree Health Care Board shall establish by regulation a
 10 Health Care Benefit Costs Assistance Program under
 11 which the Board shall provide for payments under this sec-
 12 tion from the balance in the Steelworker Retiree Health
 13 Care Trust Fund to designated steelworker group health
 14 plans to assist in the funding of qualified retiree health
 15 benefits under such plans.

16 (b) DEFINITIONS.—For purposes of this section—

17 (1) DESIGNATED STEELWORKER GROUP
 18 HEALTH PLAN.—

19 (A) IN GENERAL.—The term “designated
 20 steelworker group health plan” means a group
 21 health plan—

22 (i) under which participants and bene-
 23 ficiaries include retired steelworker partici-
 24 pants or their beneficiaries, and

1 (ii) which is in effect on the date of
2 the enactment of this Act or meets the re-
3 quirements of subparagraph (B).

4 (B) PLANS MAINTAINED IN CONNECTION
5 WITH SUBSEQUENT ACQUISITIONS.—A group
6 health plan meets the requirements of this sub-
7 paragraph if—

8 (i) such plan is in effect as of the date
9 of an affirmative determination under sec-
10 tion 401(b)(1) with respect to an acquisi-
11 tion, and

12 (ii) a person who was engaged in, or
13 resulted from, such acquisition is obligated,
14 under the terms of the plan as in effect
15 immediately after such determination, to
16 make contributions to the plan.

17 (C) SUCCESSOR PLANS.—Any group health
18 plan described in subparagraph (A)(i) of sub-
19 paragraph (A) which is a successor to a termi-
20 nated designated steelworker group health plan
21 (as defined in subparagraph (A)) shall be treat-
22 ed as such designated steelworker group health
23 plan to the extent that it provides benefits to
24 individuals who were eligible steelworker partici-

1 pants or their beneficiaries under the termi-
2 nated plan, if—

3 (i) such benefits are at least equiva-
4 lent to the benefits provided by the termi-
5 nated plan immediately before its termi-
6 nation, or

7 (ii) in any case in which the benefits
8 under the plan do not meet the require-
9 ments of clause (i), any deviation from
10 such requirements was adopted by agree-
11 ment with an authorized representative of
12 the individuals who were eligible steel-
13 worker participants or their beneficiaries
14 under the terminated plan.

15 (2) QUALIFIED RETIREE HEALTH BENEFIT.—

16 The term “qualified retiree health benefit” means
17 medical care which is provided under a designated
18 steelworker group health plan—

19 (A) to an eligible steelworker participant
20 who retired under such plan prior to the date
21 of the enactment of this Act (or to an eligible
22 beneficiary of such a participant), or

23 (B) in the case of a plan described in para-
24 graph (1)(B), to an eligible steelworker partici-
25 pant who retires under such plan during the

1 180-day period beginning with the applicable ef-
2 fective date (or to an eligible beneficiary of such
3 a participant).

4 (3) STEELWORKER PARTICIPANT.—The term
5 “steelworker participant” means a participant who
6 was, while employed as a participant in the plan, ac-
7 tively engaged in the production of any steel product
8 specified in section 101(c).

9 (4) APPLICABLE EFFECTIVE DATE.—The term
10 “applicable effective date” means the date of the en-
11 actment of this Act, except that, in the case of a
12 plan meeting the requirements of paragraph (1)(B),
13 such term means the date of the affirmative decision
14 of the Secretary of Commerce referred to in para-
15 graph (1)(B).

16 (5) ELIGIBILITY.—A steelworker participant
17 under a designated steelworker group health plan
18 (or such a participant’s beneficiary) for any plan
19 year is “eligible” for such plan year if such partici-
20 pant or beneficiary was a participant or beneficiary
21 under such plan as of the applicable effective date
22 and has remained a participant or beneficiary under
23 such plan without an intervening break in coverage.
24 For purposes of this paragraph, a suspension of ben-
25 efits by reason of a case under chapter 11 of title

1 11, United States Code, or under any similar Fed-
2 eral law or law of a State or political subdivision of
3 a State shall not be treated as a break in coverage.

4 (6) OTHER DEFINITIONS.—Terms used in this
5 section which are defined in sections 3 and 733(a)
6 of the Employee Retirement Income Security Act of
7 1974 (29 U.S.C. 1002 and 1191b(a)) shall have the
8 meanings provided such terms in such sections.

9 (c) APPLICATIONS.—During the 180-day period fol-
10 lowing the applicable effective date, a plan sponsor of a
11 designated steelworker group health plan providing quali-
12 fied retiree health care benefits may apply to the Board
13 for contributions to the plan under the Health Care Ben-
14 efit Costs Assistance Program as reimbursement for ben-
15 efit costs as provided under this section. Such applications
16 shall be accepted by the Board only if they are filed in
17 such form and manner as shall be prescribed in regula-
18 tions of the Board.

19 (d) PAYMENT OF CONTRIBUTIONS.—

20 (1) IN GENERAL.—Upon receipt of an applica-
21 tion with respect to a designated steelworker group
22 health plan filed with the Board in accordance with
23 subsection (c), the Board shall pay contributions to
24 the plan from the Trust Fund for each calendar year
25 beginning after the 180-day period described in sub-

1 section (c). Such contributions shall be allocated to
2 plan years which do not coincide with calendar years
3 as provided in regulations of the Board.

4 (2) AMOUNT OF CONTRIBUTIONS.—

5 (A) IN GENERAL.—Subject to subpara-
6 graph (F), total contributions paid to a plan
7 under this section for any calendar year shall be
8 equal to 75 percent of the qualified expendi-
9 tures of the plan made during such calendar
10 year.

11 (B) QUALIFIED EXPENDITURES.—For pur-
12 poses of subparagraph (A), the term “qualified
13 expenditures” of a plan for any calendar year
14 means the costs of items and services consti-
15 tuting qualified retiree health benefits paid by
16 the plan during such calendar year, employing
17 the cost levels for such items and services that
18 prevailed as of the applicable effective date.

19 (C) ACCOUNTING FOR QUALIFIED EXPEND-
20 ITURES.—The Board shall provide by regula-
21 tion for the payment of contributions under this
22 section for any calendar year in periodic install-
23 ments, determined on the basis of information
24 currently received by the Board with respect to
25 the qualified expenditures of the plan and such

1 estimates as the Board considers appropriate.
2 Adjustments shall be made in the amount of
3 such installments to the extent necessary to
4 compensate for payments of prior installments
5 that were less than or greater than the correct
6 amount.

7 (D) EFFECT OF SUBSEQUENT PLAN
8 AMENDMENTS DISREGARDED.—

9 (i) IN GENERAL.—Subject to clause
10 (ii), for purposes of determining qualified
11 expenditures under this paragraph, any
12 amendment to the plan taking effect after
13 the applicable effective date shall be dis-
14 regarded to the extent that it increases
15 benefit costs or adds new benefits.

16 (ii) REDUCTIONS AND RESTORA-
17 TIONS.—Amendments to the plan taking
18 effect after the applicable effective date
19 shall be taken into account to the extent
20 that such amendments—

21 (I) reduce benefit costs or elimi-
22 nate existing benefits, or

23 (II) increase benefit costs or add
24 new benefits with the effect of restor-
25 ing levels of benefit costs to levels in

1 effect prior to any reduction described
2 in subclause (I), or restoring benefits
3 which were eliminated as described in
4 subclause (I).

5 (E) INCREASES IN CONSUMER PRICE
6 INDEX TAKEN INTO ACCOUNT.—For purposes
7 of determining qualified expenditures under this
8 paragraph, increases since the applicable effective
9 date in the costs of items and services constituting
10 qualified retiree health benefits under
11 a plan shall be allowed under this section to the
12 extent that such increases do not exceed the annual
13 rate of increase in the consumer price
14 index for all urban consumers (U. S. city average)
15 issued by the Bureau of Labor Statistics.

16 (F) ADJUSTMENT TO CONTRIBUTIONS IN
17 THE EVENT OF TRUST FUND INSUFFICIENCY.—
18 If the Board determines during any calendar
19 year that, as of any date during the following
20 calendar year, the balance in the Trust Fund
21 will be insufficient to meet all contributions otherwise
22 required under this section to be made
23 from the Trust Fund for such following calendar
24 year—

1 (i) the Board shall immediately pub-
2 lish such determination in the Federal
3 Register, and

4 (ii) the Board shall distribute the bal-
5 ance in the Trust Fund available for con-
6 tributions payable during such following
7 calendar year among all plans required to
8 receive contributions for such following cal-
9 endar year in direct proportion to the
10 number of eligible participants and eligible
11 beneficiaries under the plans as of the be-
12 ginning of such following calendar year.

13 Such distribution to the plans shall be deemed
14 payment in full of contributions required to be
15 made to such plans under this section for such
16 calendar year. Determinations under this sec-
17 tion with respect to any calendar year shall be
18 made irrespective of any distribution from the
19 Trust Fund made pursuant to this subpara-
20 graph for the prior calendar year.

21 (e) REDUCTION OF REQUIRED CONTRIBUTIONS.—If
22 the Board determines during any calendar year that, as
23 of any date during the following calendar year, the balance
24 in the Trust Fund will be in excess of the amount nec-
25 essary to meet all contributions required under this section

1 to be made from the Trust Fund for such following cal-
 2 endar year—

3 (1) the Board shall immediately publish such
 4 determination in the Federal Register, and

5 (2) the Board shall certify to the Secretary of
 6 the Treasury the amount of such excess.

7 **SEC. 204. EXCISE TAX ON STEEL.**

8 (a) IN GENERAL.—Chapter 32 of the Internal Rev-
 9 enue Code of 1986 (relating to manufacturers excise
 10 taxes) is amended by inserting after subchapter D the fol-
 11 lowing new subchapter:

12 **“Subchapter E—Steel**

“Sec. 4191. Imposition of Tax.

13 **“SEC. 4191. IMPOSITION OF TAX.**

14 “(a) IMPOSITION OF TAX.—There is hereby imposed
 15 a tax on steel sold by the manufacturer, producer, or im-
 16 porter thereof.

17 “(b) DETERMINATION OF TAX.—

18 “(1) IN GENERAL.—The amount of tax imposed
 19 by subsection (a) shall be the applicable percentage
 20 of the price at which the steel is sold.

21 “(2) APPLICABLE PERCENTAGE.—For purposes
 22 of paragraph (1), the applicable percentage for any
 23 taxable year shall be 1.5 percent reduced (but not
 24 below zero) by the excess contribution percentage.

1 “(3) EXCESS CONTRIBUTION PERCENTAGE.—

2 For purposes of paragraph (2), the excess contribu-
3 tion percentage for a calendar year is the number of
4 percentage points which the Secretary determines
5 will, as of the last day of such calendar year, reduce
6 to zero the excess (if any) of the amount necessary
7 to meet all contributions required under section 203
8 of Steel Revitalization Act of 2001 to be made from
9 the Steelworker Retiree Health Care Trust Fund for
10 such calendar year. The Secretary shall make such
11 determination on the basis of the certification made
12 by the Steel Retiree Health Care Board under sec-
13 tion 203(e) of such Act.

14 “(c) LIABILITY FOR TAX.—The tax imposed by sub-
15 section (a) shall be paid by the manufacturer, producer,
16 or importer.

17 “(d) DEFINITIONS AND SPECIAL RULES.—For pur-
18 poses of this subchapter—

19 “(1) STEEL.—The term ‘steel’ means steel in
20 any of the following categories of steel products:
21 semifinished steel, stainless steel, plates, sheets and
22 strips, rods, wire and wire products, rail type prod-
23 ucts, bars, structural shapes and units, pipes and
24 tubes, iron ore, pig iron, and coke and coke prod-
25 ucts.

1 “(2) IMPORTER.—The term ‘importer’ means
2 the person entering the steel for consumption or use.

3 “(3) UNITED STATES.—The term ‘United
4 States’ includes any foreign trade zone of the United
5 States.”.

6 (b) EXEMPTIONS, ETC., NOT TO APPLY.—

7 (1) Subsection (a) of section 4218 of such Code
8 is amended by inserting “and steel taxable under
9 section 4191,” after “4121,”.

10 (2) Subsection (a) of section 4221 of such Code
11 is amended by inserting “4191,” after “4121,”.

12 (3) The third sentence of section 6416(b)(2) of
13 such Code is amended by striking “or 4121” and in-
14 serting “, 4121, and 4191”.

15 (c) CLERICAL AMENDMENT.—The table of sub-
16 chapters for chapter 32 of such Code is amended by in-
17 serting after the item relating to subchapter D the fol-
18 lowing new item:

 “Subchapter E. Steel.”.

19 (d) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to sales occurring after 180 days
21 after the date of the enactment of this Act.

TITLE III—STEEL LOAN GUARANTEE PROGRAM

SEC. 301. MODIFICATION TO STEEL LOAN GUARANTEE PROGRAM.

(a) IN GENERAL.—Section 101 of the Emergency Steel Loan Guarantee Act of 1999 (Public Law 106–51; 15 U.S.C. 1841 note) is amended as follows:

(1) DOLLAR LIMITS AND ADDITIONAL COSTS.—
Subsection (f) is amended—

(A) in paragraph (2), by striking
“1,000,000,000” and inserting
“\$10,000,000,000;

(B) in paragraph (3), by striking
“\$250,000,000” and inserting “\$500,000,000”;

(C) in paragraph (4), by striking “as soon
as possible” and inserting “within 45 days”;
and

(D) in paragraph (5), by striking
“\$140,000,000” and inserting
“\$1,800,000,000”.

(2) REQUIREMENTS FOR LOAN GUARANTEES.—
Subsection (g) is amended—

(A) in the matter preceding paragraph (1),
by striking “a private bank or investment com-
pany” and inserting “an institution”;

1 (B) in paragraph (3), by striking “the
2 loan” and inserting “the portion of the loan”;

3 (C) in paragraph (4), by striking “and”
4 after the semicolon; and

5 (D) by striking paragraph (5) and insert-
6 ing the following:

7 “(5) the proceeds of the loan will not be used
8 for the purpose of enhancing the position or cash re-
9 covery of existing stockholders or financial creditors
10 beyond that which such stockholders and creditors
11 would have received without the loan; and

12 “(6) the company’s business plan maximizes the
13 retention of jobs and capacity consistent with the
14 long-term economic viability of the company.”.

15 (3) TERMS AND CONDITIONS.—Subsection (h)
16 is amended—

17 (A) in paragraph (1), by striking “2005”
18 and inserting “2015”;

19 (B) in paragraph (2), by striking the sec-
20 ond sentence and inserting the following: “The
21 Board may give the unguaranteed portion of
22 the loan different security, lien priority, and
23 payment preference than the guaranteed por-
24 tion of the loan.”; and

1 (C) by amending paragraph (4) to read as
2 follows:

3 “(4) GUARANTEE LEVEL.—Any loan guarantee
4 issued under this section may not exceed 95 percent
5 of the amount of principal of the loan, plus the
6 amount of any unpaid interest on the loan.”.

7 (4) REPORTS TO CONGRESS.—Subsection (i) is
8 amended by striking “of fiscal years 1999 and 2000,
9 and annually thereafter,” and inserting “fiscal
10 year”.

11 (5) SALARIES AND ADMINISTRATIVE EX-
12 PENSES.—Subsection (j) is amended—

13 (A) by striking “5,000,000” and inserting
14 “\$10,000,000”; and

15 (B) by striking “, which may be trans-
16 ferred” and all that follows through “Adminis-
17 tration”.

18 (6) TERMINATION OF GUARANTEE AUTHOR-
19 ITY.—Subsection (k) is amended by striking “2001”
20 and inserting “2003”.

21 (7) MONITORING, REPORTING, AND FORE-
22 CLOSURE PROCEDURES.—Subsection (l) is amended
23 by adding at the end the following: “All monitoring,
24 reporting, and foreclosure procedures established
25 with respect to loan guarantees issued under this

1 section shall be consistent with customary practices
 2 in the commercial banking industry. Minor or inad-
 3 vertent reporting violations shall not cause termi-
 4 nation of any guarantee issued under this section.”.

5 (8) COMPOSITION OF GUARANTEE BOARD.—
 6 Subsection (e) is amended by striking paragraphs
 7 (1) through (3) and inserting the following:

8 “(1) the Secretary of Commerce, who shall
 9 serve as chairman,

10 “(2) the Secretary of Labor, and

11 “(3) the Secretary of the Treasury,
 12 or their respective designees.”.

13 (9) DEFINITION OF STEEL COMPANIES.—Sub-
 14 section (c)(3)(B) is amended to read as follows:

15 “(B) is engaged in—

16 “(i) the production or manufacture of
 17 a product identified by the American Iron
 18 and Steel Institute as a basic steel mill
 19 product, including ingots, slab and billets,
 20 plates, flat-rolled steel, sections and struc-
 21 tural products, bars, rail type products,
 22 pipe and tube, and wire rod;

23 “(ii) the production or manufacture of
 24 coke used in the production of steel; or

25 “(iii) the mining of iron ore; and”.

1 (b) CONFORMING AMENDMENT.—Section 101 of the
 2 Emergency Steel Loan Guarantee Act of 1999 is further
 3 amended by striking subsection (m).

4 (c) APPLICABILITY.—The amendments made by this
 5 section shall apply only with respect to any guarantee
 6 issued on or after the date of the enactment of this Act.

7 **TITLE IV—INCENTIVES FOR** 8 **CONSOLIDATION**

9 **SEC. 401. GRANT PROGRAM FOR MERGED COMPANIES.**

10 (a) ELIGIBLE PERSONS.—Any person who acquires
 11 another person that produces any of the steel products set
 12 forth in section 101(c) may, during the 1-year period be-
 13 ginning on the effective date of the acquisition, apply to
 14 the Secretary of Commerce for a grant under this section
 15 to defray the costs necessary—

16 (1) to bring the entity resulting from the acqui-
 17 sition into compliance with requirements imposed by
 18 laws to protect the environment; and

19 (2) to maintain such compliance.

20 (b) DETERMINATIONS BY THE SECRETARY OF COM-
 21 MERCE.—

22 (1) EMPLOYMENT AND PRODUCTION RETEN-
 23 TION.—Upon receipt of an application under sub-
 24 section (a), the Secretary of Commerce shall deter-
 25 mine whether or not the acquisition set out in the

1 application will promote the retention of jobs and
2 production capacity in the sector producing steel
3 products described in section 101(c). The Secretary
4 may make an affirmative determination under the
5 preceding sentence only if the Secretary determines
6 that after the acquisition—

7 (A) the maximum number of workers of
8 the acquiring person and the person acquired
9 that are engaged in the production of steel
10 products set out in section 101(c) on the day
11 before the effective date of the acquisition will
12 be retained, consistent with the long-term via-
13 bility of the combined entity, except that such
14 maximum number—

15 (i) must be at least 80 percent of the
16 total number of such workers; and

17 (ii) must include at least 50 percent
18 of the number of such workers of the ac-
19 quired person; and

20 (B) at least 80 percent of the facilities of
21 the acquiring person and the person acquired
22 that are used for the production of those steel
23 products on the day before the acquisition is
24 completed will be retained.

1 (2) ENVIRONMENTAL COSTS.—If the Secretary
2 of Commerce makes an affirmative determination
3 under paragraph (1), the Secretary shall provide a
4 grant to the applicant in an amount determined by
5 the Secretary to cover the costs incurred or to be in-
6 curred by the applicant—

7 (A) in complying with the requirements
8 imposed by laws to protect the environment;
9 and

10 (B) in maintaining such compliance.

11 (c) AUTHORIZATION; AMOUNT OF GRANTS.—

12 (1) AUTHORIZATION.—There is authorized to
13 be appropriated to carry out this section
14 \$500,000,000.

15 (2) AMOUNT OF GRANTS.—Not more than
16 \$100,000,000 may be provided to any applicant
17 under this section.

18 (d) PENALTIES.—

19 (1) FAILURE TO ACHIEVE RETENTION LEVELS
20 IN FIRST 5 YEARS.—In any case in which a person
21 receives a grant under this section and, at any time
22 during the 5-year period after the grant is awarded,
23 the number of workers, or the production capacity,
24 described in paragraph (1) of subsection (b) with re-
25 spect to that applicant falls below the 80 percent

1 level described in subparagraph (A)(i) or (B) of that
2 paragraph, the applicant shall forfeit to the Sec-
3 retary the dollar amount of the grant, plus 20 per-
4 cent of that amount.

5 (2) FAILURE TO ACHIEVE RETENTION LEVELS
6 AFTER FIRST 5 YEARS.—In any case in which a per-
7 son receives a grant under this section and the num-
8 ber of workers, or the production capacity, described
9 in paragraph (1) of subsection (b) with respect to
10 that applicant falls below the 80 percent level de-
11 scribed in subparagraph (A)(i) or (B) of that
12 paragraph—

13 (A) during the 6th year after the grant is
14 awarded, the applicant shall forfeit to the Sec-
15 retary 50 percent of the dollar amount of the
16 grant, plus 20 percent of that forfeited amount;

17 (B) during the 7th year after the grant is
18 awarded, the applicant shall forfeit to the Sec-
19 retary 40 percent of the dollar amount of the
20 grant, plus 20 percent of that forfeited amount;

21 (C) during the 8th year after the grant is
22 awarded, the applicant shall forfeit to the Sec-
23 retary 30 percent of the dollar amount of the
24 grant, plus 20 percent of that forfeited amount;

1 (D) during the 9th year after the grant is
2 awarded, the applicant shall forfeit to the Sec-
3 retary 20 percent of the dollar amount of the
4 grant, plus 20 percent of that forfeited amount;
5 and

6 (E) during the 10th year after the grant is
7 awarded, the applicant shall forfeit to the Sec-
8 retary 10 percent of the dollar amount of the
9 grant, plus 20 percent of that forfeited amount.

10 (3) COURT ACTION.—In the event of the failure
11 of a person to forfeit any amount under paragraph
12 (1) or (2), the Secretary of Commerce may bring an
13 action in the appropriate district court against that
14 person to collect that amount.

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